The fall or rise in prices of scrips in the stock markets cannot be controlled by the Government or the regulator. The objective of the Government and the regulator is to ensure that capital markets operate in an orderly, transparent, safe and fair manner. Towards this end, SEBI has intimated that several risk containment measures have been taken for the overall safety of the capital markets.

Government holdings in Banks

3285. SHRI AMAR SINGH:
SHRIMATI JAYAPRADA NAHATA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have identified the Banks in which it would bring down its holding to 33 per cent;

(b) if so, the details thereof; and

(c) whether it is a fact that All India Bank Employees Association have warned of strikes over Government's move to cut stake to 33 per cent and if so, what is Government's reaction in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) No Sir.

(b) Does not arise.

(c) It is understood that the All India Bank Employees' Association has, by a circular, *inter-alia,* directed its union to observe general strike against privatisation of banks. There is no proposal under the consideration of the Government for privatisation of banks. The intention is to enable banks to access capital from the market in view of the infeasibility of Government's indefinitely contributing to the equity of the banks in the face of competing claims for budgetary support.

Applicability of tax on export profit

3286. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the tax on export profit will not apply to

operating units created before April 1, 2000 in software technology parks as per recent clarification given by the Ministry of Finance; and

(b) if so, what are the reasons for offering exemption to those units?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) Yes Sir, provided the necessary conditions are met.

(b) This is in view of the commitment for a 10 year tax holiday already made by the Government in the past for units set up in STPs, based on which units would have been set up.

Withdrawal of Notices Served on FIIs

3287. SHRI V.P. DURAISAMY: Will the Minister of FINANCE be pleased to state:

(a) Whether the Ministry of Finance has withdrawn tax notices relating to capital gains tax served on to five Foreign Institutional Investors (FIIs), owing to pressure from corporate lobbies based in Mauritius;

(b) if so, the details there of; and

(c) whether the Ministry extended the similar facility to the FIIs based in other countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) No Sir.

(b) Does not arise.

(c) Foreign Institutional Investors based in other countries enjoy the benefits, if any, in accordance with the Treaties in force with those countries in which they are resident.

Effect of reduction in CRR and Bank rates on weak banks

3288. SHRI V.P. DURAISAMY:

SHRI CP. THIRUNAVUKKARASU:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that reduction in cash reserve ratio and bank rate